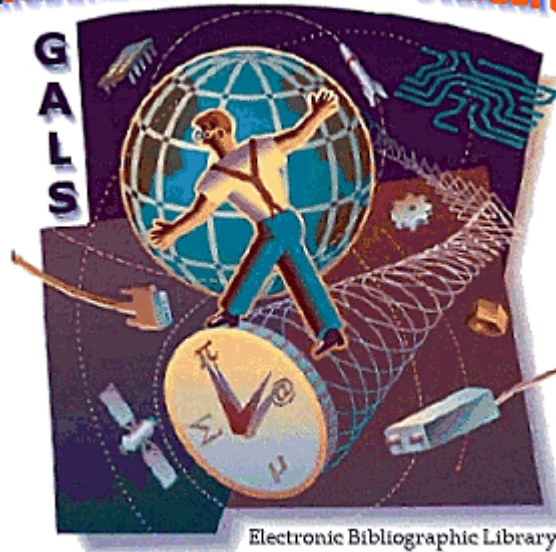


# Globalization and Labor Standards



## GALS Newsletter

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## Outsourcing

**Bognanno, Mario F & Keane, Michael P & Yang, Donghoon, "The Influence of Wages and Industrial Relations Environments on the Production Location Decisions of U.S. Multinational Corporations", *Industrial and Labor Relations Review* v. 58 (January 2005) p. 171-200**

Abstract:

This Article utilizes extensive data culled from seven manufacturing industries and 22 countries over 10 years to determine how tariffs, wages and industrial relations environments affect U.S. multinational corporations' decisions to locate assets and employment abroad. Ultimately, the Article concludes, that while a low wage base, a decentralized bargaining structure and minimal recriminations for layoffs do influence corporate locational decisions, they are not dispositive. Rather, they find that host country market size – that is, GDP – was the key determinant of locational decisions for U.S. corporations. Furthermore, the Article finds that tariff reduction-legislation such as NAFTA and GATT do not lead to a hemorrhaging of U.S. jobs or assets abroad. In contrast to previous data studies on the same subject which have used data from only one-year or used data aggregated at the national level, the authors employ industry-level panel data from the Bureau of Economic Analysis, plus other data sources which have been merged to reach their conclusions.

Subjects: [NAFTA/GATT](#), [Outsourcing](#)

Full-text links: || [WESTLAW](#) || [LEXIS-NEXIS](#) ||

**Mordecai, Adam, "Anti-Offshoring Legislation: The New Wave of Protectionism: The Backlash Against Foreign Outsourcing of American Service Jobs", *Richmond Journal of Global Law and Business* v. 5 (Winter 2005) p. 85-105**

Abstract:

This Article takes the position that legislative efforts to limit offshoring (i.e., outsourcing) will have an adverse effect upon both the U.S. and global economy. The author explores the history of the offshoring debate, analyzes protectionist legislation that has been proposed in 35 states and both houses of Congress, examines the positions of both opponents and proponents to anti-offshoring legislation, and addresses the implications of those measures on the U.S. economy and global market. The author notes that most of the anti-globalization arguments emphasize short-term losses to the American workforce for what will eventually benefit all. For example, he explains that although American medical technicians may lose their jobs to Indian technicians who read MRIs for much less, lower prices for this life-saving technology are “virtually assured and many more sick people will benefit as a result.” Anti-globalization legislation, such as laws requiring employees in call centers located overseas to disclose their location, or laws restricting government assistance to U.S. based companies that shift American jobs abroad, prevent U.S. businesses from using their funds for research activities that would benefit their shareholders at home and the global economy generally.

Subjects: [Country-Specific Case Studies](#), [Labor Mobility](#), [Outsourcing](#)

Full-text links: || [WESTLAW](#) || [LEXIS-NEXIS](#) ||

## World Trade Organization

**Rosen, Ellen Israel, "The Wal-Mart Effect: The World Trade Organization and The Race to the Bottom", *Chapman Law Review* v. 8 (Spring 2005) p. 261-282**

**Abstract:**

This article discusses how the World Trade Organization's (WTO) new quota elimination policy negatively affects workers worldwide. Until January 2005, all textile and apparel trade was governed by a system of quotas in an effort to give developing countries access to major U.S. and European markets. The author argues that the new no-quota rule by the WTO will result in retailers, including Wal-Mart, moving to countries that can produce the largest volume of apparel at the lowest cost: namely, China and India. The author then looks at how Wal-Mart's business practice of using its power to pressure their suppliers to drive down prices is leading to harsh working conditions for American as well as Chinese workers, particularly women workers. The author concludes that Wal-Mart's style of competition, that involves driving down retail prices regardless of the human costs is leading to a "race to the bottom" in the garment industry.

Subjects: [Company-Specific Case Studies](#), [Women's Rights](#), [World Trade Organization \(WTO\)](#)

**Full-text links:** || [WESTLAW](#) || [LEXIS-NEXIS](#) ||

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## Links to Related Projects

**Asian Law Center:** <http://www.law.unimelb.edu.au/alc/bibliography/browse.asp?s=45>

The Asian Law Centre, an initiative of the University of Melbourne Law School, devoted to the development of understanding of Asian law, offers an extensive bibliography of Asian labor law articles and reports.

**Centre for Employment and Labour Relations Law:** <http://www.law.unimelb.edu.au/celrl/>

Centre for Employment and Labour Relations Law is a research and teaching center devoted to the development of an understanding of labor law at the University of Melbourne. The Center's website describes the activities of the Center and contains links to several databases that are of interest to labor law scholars and practitioners. For example, the Center's Work Relations Law Project contains extensive information about Australian labor law that can be accessed directly at <http://www.austlii.edu.au/au/special/industrial/>.

**ETUI Labourline:** <http://www.labourline.org/Etui>

ETUI Labourline is a database of European labor information resources covering European, international and comparative aspects of industrial relations and health and safety issues, developed by the Documentation Centres of the European Trade Union Institute and the European Trade Union Institute for Health and Safety(Brussels). The consolidated bibliographic database contains more than 20,000 references to documents focusing on industrial relations, and more than 15,000 references to documents on health and safety issues.

**Globalization Bulletin:** <http://www.rci.rutgers.edu/~dbensman/bulletin.html>

The Globalization Bulletin is a weekly e-newsletter providing linked access to the latest articles, research, and web resources on a range of global labor issues—ranging from union organizing and labor markets to immigrations and trade agreements. The Bulletin is produced by the Globalization Task Force of the New Jersey Division of the United Nations Association-USA and the Department of Labor Studies and Employment Relations School of Management and Labor Relations, Rutgers University. To subscribe, email David Bensman at [dbensman@smlr.rutgers.edu](mailto:dbensman@smlr.rutgers.edu).

**Labor and Global Change Database:** <http://www.ilir.umich.edu/lagn/>

The Labor and Global Change Database provides bibliographies, citation information and (where available) web links to the full text of research exploring connections between labor and globalization. The database aims to provide researchers with an easy means to make the results of their work widely available to other scholars and the interested public. The database is run by and continually updated by the Labor and Global Change Program of the University of Michigan.

**LabourWeb:** <http://www.lex.unict.it/eurolabor/en/>

The Labour Web is a comprehensive documentation center for information about European labor law, social law, industrial relations and the welfare state. It contains up-to-date versions of European Union law, directives, pending directives, EU news, press releases, economic statistics and decisions of the European Court of Justice. It also contains a Working Papers series and subject matter reports (dossiers) on issues concerning European integration. The site also provides links to other websites that contain working papers, statistical reports, and other information about social, economic and industrial relations affairs in the European context. It is run by the Massimo D'Antona Centre for the Study of European Labour Law, at the Faculty of Law of the University of Catania.

**The Marco Biagi Centre for International and Comparative Studies:**

<http://www.csmb.unimo.it>

The Marco Biagi Centre for International and Comparative Studies at the University of Modena and Reggio Emilia, Italy, functions as policy resource center on comparative labor issues. Besides publishing books and law journals, the Center provides a clearinghouse of international law journals, including the International Journal of Comparative Labour Law and Industrial Relations (<http://www.csmb.unimo.it/journal.html>). Currently only in Italian, the Center's website will soon offer an English version.

**Trade Unions and Labor Relations Database:** <http://www.polwiss.fu-berlin.de/tu/english/>

The database, produced by the Institute of Labor Relations of the Otto-Suhr-Institute of the Freie University of Berlin, contains almost 7,000 citations of books, articles, working papers, brochures, proceedings etc. The bulk of the citations address aspects of labor relations in Germany, but there is a substantial body of literature in the database covering the EU and Eastern Europe.

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*Project Director:*

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